

House Engrossed

**FILED**

**JANICE K. BREWER  
SECRETARY OF STATE**

State of Arizona  
House of Representatives  
Forty-sixth Legislature  
Second Regular Session  
2004

CHAPTER 2

**HOUSE BILL 2456**

AN ACT

AMENDING SECTIONS 28-304, 28-503, 28-6301, 28-6302, 28-6303, 28-6306, 28-6308, 28-6351, 28-6352, 28-6355, 28-6357, 28-7561, 48-5121 AND 48-5162, ARIZONA REVISED STATUTES; AMENDING SECTION 28-6304, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2003, CHAPTER 217, SECTION 1; AMENDING SECTION 28-6305, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2003, CHAPTER 217, SECTION 2; AMENDING TITLE 28, CHAPTER 17, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 28-6313; AMENDING SECTION 28-6353, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2003, CHAPTER 217, SECTION 4; AMENDING SECTION 28-6354, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2003, CHAPTER 217, SECTION 5; AMENDING SECTION 28-6356, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2003, CHAPTER 217, SECTION 6; AMENDING TITLE 42, CHAPTER 6, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 42-6105; AMENDING SECTION 48-5103, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2003, CHAPTER 217, SECTION 7; AMENDING TITLE 48, CHAPTER 29, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 48-5107; REPEALING LAWS 1997, CHAPTER 1, SECTION 346; CHANGING THE HEADING OF TITLE 28, CHAPTER 17, ARTICLE 2, ARIZONA REVISED STATUTES, TO "REGIONAL TRANSPORTATION PLAN"; RELATING TO REGIONAL TRANSPORTATION FINANCE; PROVIDING FOR CONDITIONAL ENACTMENT.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 28-304, Arizona Revised Statutes, is amended to  
3 read:

4 28-304. Powers and duties of the board; transportation  
5 facilities

6 A. The board shall:

7 1. Develop and adopt a statewide transportation policy statement. The  
8 policy statement shall be adopted as described in section 28-306.

9 2. Adopt a long-range statewide transportation plan. The plan shall  
10 be adopted as described in section 28-307.

11 3. Adopt uniform transportation planning practices and performance  
12 based planning processes for use by the department. The practices and  
13 processes shall be developed as described in sections 28-502 and 28-503.

14 4. Adopt transportation system performance measures and factors and  
15 data collection standards to be used by the department. The performance  
16 measures, factors and standards shall be developed as described in sections  
17 28-504 and 28-505.

18 ~~B. The board shall initially adopt the processes, practices,~~  
19 ~~procedures, measures, factors and standards prescribed in subsection A,~~  
20 ~~paragraphs 3 and 4 of this section on or before July 1, 2003.~~

21 ~~C.~~ B. With respect to highways, the board shall:

22 1. Establish a complete system of state highway routes.

23 2. Determine which state highway routes or portions of the routes are  
24 accepted into the state highway system and which state highway routes to  
25 improve.

26 3. Establish, open, relocate or alter a portion of a state route or  
27 state highway.

28 4. Vacate or abandon a portion of a state route or state highway as  
29 prescribed in section 28-7209.

30 5. Sell board funding obligations to the state treasurer as provided  
31 in section 28-7678.

32 ~~D.~~ C. The board shall:

33 1. Establish policies to guide the development or modification of the  
34 five year transportation facilities construction program that are consistent  
35 with the principles of performance based planning developed pursuant to  
36 article 7 of this chapter. ~~THE PERCENTAGE OF DEPARTMENT DISCRETIONARY~~  
37 ~~MONIES ALLOCATED TO THE REGION IN THE REGIONAL TRANSPORTATION PLAN APPROVED~~  
38 ~~PURSUANT TO CHAPTER 17, ARTICLE 1 OF THIS TITLE SHALL NOT INCREASE OR~~  
39 ~~DECREASE UNLESS THE BOARD, IN COOPERATION WITH THE REGIONAL PLANNING AGENCY,~~  
40 ~~AGREES TO CHANGE THE PERCENTAGE OF THE DISCRETIONARY MONIES.~~

41 2. Award all construction contracts for transportation facilities. and

42 3. Monitor the status of these construction projects.

43 ~~E.~~ D. Consistent with the board's responsibilities, the board shall:

44 1. ~~Approve, disapprove or modify~~ CONSIDER the citizens transportation  
45 oversight committee's recommendations on the five year construction program

1 and the life cycle management program for the regional freeway system as  
2 defined in section 28-6351 TRANSPORTATION PLAN PURSUANT TO CHAPTER 17 OF THIS  
3 TITLE.

4 2. Respond to any complaint and approve, disapprove or modify  
5 recommendations regarding a complaint forwarded to it by the citizens  
6 transportation oversight committee within ninety days after the citizens  
7 transportation oversight committee forwards a complaint to the board.

8 F. E. The board shall determine priority program planning with  
9 respect to transportation facilities using the performance based methods  
10 developed pursuant to article 7 of this chapter.

11 G. F. With respect to transportation facilities other than highways,  
12 the board shall establish, open, relocate, alter, vacate or abandon all or  
13 portions of the facilities.

14 H. G. With respect to aeronautics, the board shall perform the  
15 functions prescribed in chapter 25 of this title.

16 I. H. The board shall not spend any monies, adopt any rules or  
17 implement any policies or programs to convert signs to the metric system or  
18 to require the use of the metric system with respect to designing or  
19 preparing plans, specifications, estimates or other documents for any highway  
20 project before the conversion or use is required by federal law, except that  
21 the board may:

22 1. Spend monies and require the use of the metric system with respect  
23 to designing or preparing plans, specifications, estimates or other documents  
24 for a highway project that is awarded before October 1, 1997 and that is  
25 exclusively metric from its inception.

26 2. Prepare for conversion to and use of the metric system not more  
27 than six months before the conversion or use is required by federal law.

28 Sec. 2. Section 28-503, Arizona Revised Statutes, is amended to read:  
29 28-503. Performance based planning and programming

30 A. The division shall develop for submission to the board performance  
31 based planning and programming processes for use by the department.

32 B. The division shall consult with local, regional and tribal  
33 transportation agencies before developing the processes. The division shall  
34 encourage and assist tribal transportation agencies that want to adopt these  
35 performance based planning and programming processes.

36 C. The performance based planning and programming processes shall  
37 provide a means of evaluating the current performance of the plan developed  
38 pursuant to section 28-506 and the five year transportation facilities  
39 construction program developed pursuant to section 28-6951 and for evaluating  
40 and prioritizing proposed changes to the plan and program.

41 D. IN COMPLIANCE WITH POLICIES ESTABLISHED PURSUANT TO SECTION 28-304,  
42 the department and the board shall use the performance based planning and  
43 programming processes in determining future allocations of state and federal  
44 financial resources among the department's major program categories.

1 E. The performance based planning and programming processes shall be  
2 used to monitor and evaluate the performance outcomes of transportation  
3 planning and programming decisions made by the department and the board.

4 F. The performance based processes shall:

5 1. Be periodically reviewed and updated as conditions and system  
6 requirements change.

7 2. Include, at a minimum, all of the following:

8 (a) Uniform transportation system performance measures established  
9 pursuant to section 28-504 and the routine collection and reporting of  
10 adopted performance measures.

11 (b) Uniform transportation system performance factors for evaluating  
12 existing and potential projects and services established pursuant to section  
13 28-505.

14 (c) Weights to be applied to the performance factors identified  
15 pursuant to subdivision (b) in evaluating and prioritizing proposed changes  
16 to the system. These performance factor weights shall consider and recognize  
17 local and regional differences in transportation system performance  
18 expectations and shall be used in all state transportation planning.

19 (d) Systematic forecasts of the anticipated performance outcomes of  
20 proposed expenditures.

21 (e) Systematic periodic reporting and certification of system  
22 performance.

23 3. Integrate planning, programming and reporting processes to ensure  
24 a sustainable and reliable highway system.

25 Sec. 3. Section 28-6301, Arizona Revised Statutes, is amended to read:  
26 28-6301. Definitions

27 In this article, unless the context otherwise requires:

28 1. "Bond related expenses" means:

29 (a) Printing, publication or advertising expenses with respect to the  
30 sale and issuance of any bonds.

31 (b) Fees, expenses and costs of registrars, paying agents and transfer  
32 agents retained by the board.

33 (c) Fees, expenses and costs of attorneys, accountants, actuaries,  
34 feasibility consultants, computer programmers or other experts employed to  
35 aid in the sale and issuance of the bonds.

36 (d) Other costs, fees and expenses incurred or reasonably related to  
37 the issuance, sale and administration of the bonds.

38 2. "Bond related obligation" means any agreement or contractual  
39 relationship between the board and any bank, trust company, insurance  
40 company, surety bonding company, pension fund or other financial institution  
41 providing increased credit on, or security for, the bonds or liquidity for  
42 secondary market transactions.

43 3. "Bonds" means any bonds that are payable from the regional area  
44 road fund as provided in chapter 21, article 2 of this title.



1           4. "CONSTRUCTION INTEREST" MEANS A COMPANY WHOSE PRIMARY FUNCTION  
2 CONSISTS OF BUILDING FREEWAYS, HIGHWAYS OR MAJOR ARTERIAL STREETS.

3           ~~4.~~ 5. "Controlled access highway" has the same meaning prescribed in  
4 section 28-601.

5           6. "FREIGHT INTEREST" MEANS A COMPANY THAT DERIVES A SUBSTANTIAL  
6 PORTION OF ITS REVENUE FROM TRANSPORTING GOODS.

7           7. "MAJOR AMENDMENT" MEANS EITHER:

8           (a) THE ADDITION OR DELETION OF A FREEWAY, ROUTE ON THE STATE HIGHWAY  
9 SYSTEM OR A FIXED GUIDEWAY TRANSIT SYSTEM.

10           (b) THE ADDITION OR DELETION OF A PORTION OF A FREEWAY, ROUTE ON THE  
11 STATE HIGHWAY SYSTEM OR A FIXED GUIDEWAY TRANSIT SYSTEM THAT EITHER EXCEEDS  
12 ONE MILE IN LENGTH OR EXCEEDS AN ESTIMATED COST OF FORTY MILLION DOLLARS AS  
13 PROVIDED IN THE REGIONAL TRANSPORTATION PLAN.

14           (c) THE MODIFICATION OF A TRANSPORTATION PROJECT IN A MANNER THAT  
15 ELIMINATES A CONNECTION BETWEEN FREEWAY FACILITIES OR FIXED GUIDEWAY  
16 FACILITIES.

17           ~~5.~~ 8. "Population" means the population determined in the most recent  
18 United States decennial census or the most recent special census as provided  
19 in section 28-6532 and revisions to the decennial or special census certified  
20 by the United States bureau of the census.

21           9. "PUBLIC TRANSPORTATION" MEANS MOVING PASSENGERS BY MEANS OF A  
22 CONVEYANCE OPERATED BY OR FOR A POLITICAL SUBDIVISION OF THIS STATE INCLUDING  
23 DIAL-A-RIDE TRANSPORTATION, SPECIAL NEEDS TRANSPORTATION AND VAN POOL  
24 TRANSPORTATION BUT EXCLUDING SCHOOL BUSES.

25           10. "PUBLIC TRANSPORTATION SYSTEM" MEANS THE COMBINATION OF  
26 INDIVIDUALS, VEHICLES, PHYSICAL FACILITIES, STRUCTURES AND EQUIPMENT THAT  
27 TOGETHER PROVIDE, OR FACILITATE PROVIDING, PUBLIC TRANSPORTATION, INCLUDING  
28 BUSES, HIGH OCCUPANCY VEHICLE ROADWAY LANES AND RAMPS, BUS PULL-OUT LANES,  
29 BUS AND LIGHT RAIL WAITING FACILITIES, PARK AND RIDE PARKING LOTS,  
30 INTELLIGENT TRANSPORTATION SYSTEMS AND RIDESHARING PROMOTION.

31           11. "REGIONWIDE BUSINESS" MEANS A COMPANY THAT PROVIDES GOODS OR  
32 SERVICES THROUGHOUT THE COUNTY.

33           12. "TRANSIT INTEREST" MEANS AN INDIVIDUAL WITH DEMONSTRATED INTEREST  
34 AND EXPERIENCE WITH PUBLIC TRANSPORTATION.

35           Sec. 4. Section 28-6302, Arizona Revised Statutes, is amended to read:

36           28-6302. Transportation excise tax distribution; counties with  
37                   one million two hundred thousand or more persons;  
38                   regional area road fund

39           A. In a county with a population of one million two hundred thousand  
40 or more persons, the officer collecting transportation excise tax monies  
41 pursuant to section 42-6104 OR 42-6105 that are designated for deposit in the  
42 regional area road fund shall immediately transfer the monies to the state  
43 treasurer. The state treasurer shall deposit the monies in a fund designated  
44 for the county as the regional area road fund. The state treasurer shall  
45 hold monies in the regional area road fund as a trustee for the county.

1       B. Except as provided in this article, the county in which the  
2 transportation excise taxes are levied has the beneficial interest in the  
3 regional area road fund. This state has no beneficial interest in the  
4 regional area road fund except as an obligee for reimbursement of state  
5 monies that are advanced as salaries or expenses by this state or the  
6 department and that are to be repaid by the regional area road fund.

7       C. Monies and investments within the regional area road fund may be  
8 used and spent only as provided in this chapter. An appropriation of any  
9 nature shall not be required before the expenditure of monies from the  
10 regional area road fund. Monies in the bond proceeds account or construction  
11 account of a regional area road fund may be obligated for payment in future  
12 years for the purpose of right-of-way acquisition subject to the limitations  
13 prescribed in sections 28-7001, ~~and~~ 28-7002 AND 42-6105, SUBSECTION E,  
14 PARAGRAPHS 1 AND 2. The state treasurer shall make payments from the  
15 regional area road fund by check, and a warrant or voucher is not  
16 necessary. Subject to the powers granted to the board in chapter 21, article  
17 2 of this title, the director shall administer monies deposited in the  
18 regional area road fund.

19       Sec. 5. Section 28-6303, Arizona Revised Statutes, is amended to read:  
20       28-6303. Regional area road fund; separate accounts

21       A. The regional area road fund is divided into three separate accounts  
22 designated as the bond account, the construction account and the bond  
23 proceeds account.

24       B. The state treasurer shall:

25       1. Account separately for each account.

26       2. Make transfers between accounts only as provided in this article  
27 or chapter 21, article 2 of this title.

28       3. Before any bonds are issued, deposit transportation excise tax  
29 revenues transferred to the state treasurer in the construction account.  
30 These revenues shall be expended as provided in this article.

31       4. After any bonds are issued, deposit transportation excise tax  
32 revenues transferred to the state treasurer in the bond account first until  
33 the bond account contains monies sufficient to meet all principal, interest  
34 or redemption requirements for the current period as required by any  
35 resolution of the board pertaining to the issuance of bonds.

36       5. After all current period requirements for all of the bonds are  
37 deposited in the bond account, deposit the balance of transportation excise  
38 tax revenues transferred to the state treasurer for the current period in the  
39 construction account.

40       C. The state treasurer may:

41       1. Invest monies in any account of the regional area road fund in any  
42 securities or obligations authorized by title 35, chapter 2, article 2.

43       2. For the purpose of investments, commingle monies within the  
44 regional area road fund with state monies if all interest earned on the  
45 monies in the regional area road fund of a county is credited to the

1 respective account of the regional area road fund in which the investment was  
2 made.

3 D. THE DEPARTMENT SHALL SEPARATELY ACCOUNT FOR THE USES OF  
4 TRANSPORTATION EXCISE TAX REVENUES DEPOSITED INTO THE BOND ACCOUNT AND THE  
5 CONSTRUCTION ACCOUNT IN ORDER TO IDENTIFY HOW THE TRANSPORTATION EXCISE TAX  
6 REVENUES ARE USED PURSUANT TO SECTION 42-6105, SUBSECTION E, PARAGRAPHS 1 AND  
7 2, FOR:

8 1. FREEWAYS AND OTHER ROUTES IN THE STATE HIGHWAY SYSTEM.

9 2. MAJOR ARTERIAL STREETS AND INTERSECTION IMPROVEMENTS.

10 Sec. 6. Section 28-6304, Arizona Revised Statutes, as amended by Laws  
11 2003, chapter 217, section 1, is amended to read:

12 28-6304. Bond account; expenditures

13 A. The state treasurer shall:

14 1. Hold monies in the bond account in trust for the owners of the  
15 bonds.

16 2. Pay monies in the bond account to the county, to paying agents or  
17 to the owners of the bonds directly in accordance with a resolution of the  
18 board authorizing the issuance of the bonds.

19 B. Monies in the bond account may be used:

20 1. To pay bond related expenses or recurring expenses pertaining to  
21 administration and payment of the bonds.

22 2. For funding reserves for the payment of the bonds.

23 3. For payment of fees, charges and expenses incurred with respect to  
24 bond related obligations.

25 C. Monies in the bond proceeds account may be obligated or spent as  
26 directed by the board for the:

27 1. Payment of all bond related expenses.

28 2. Establishment and funding of reserve monies or to pay interest on  
29 bonds during the expected period of construction.

30 3. Payment of fees, charges and expenses incurred with respect to bond  
31 related obligations.

32 4. Design, right-of-way purchase or construction RELATED TO NEW, OR  
33 IMPROVEMENTS TO, FREEWAYS AND OTHER ROUTES IN THE STATE HIGHWAY SYSTEM ~~of~~  
34 ~~controlled access highways that are included in the regional transportation~~  
35 ~~plan of the county and that are accepted into the state highway system either~~  
36 ~~as a state route or as a state highway or related grade separations of~~  
37 ~~controlled access highways that are included in the regional transportation~~  
38 ~~plan of the county.~~

39 5. Design, right-of-way purchase or construction ~~of~~ RELATED TO NEW,  
40 OR IMPROVEMENTS TO, major arterial streets and highways INTERSECTIONS that  
41 are included in the regional transportation plan of the county. For the  
42 purposes of this paragraph, "major arterial" means an interconnected  
43 thoroughfare whose primary function is to link areas in the region and to  
44 distribute traffic to and from controlled access highways, generally of

1   regionwide significance and of varying capacity depending on the travel  
2   demand for the specific direction and adjacent land uses.

3         6. Design and construction of interim roadways within the adopted  
4   corridors of the regional transportation plan of the county pursuant to  
5   section 28-6309.

6         7. Right-of-way costs associated with the construction of interim  
7   roadways pursuant to section 28-6310.

8         8. Payment of principal and interest on the bonds.

9         Sec. 7. Section 28-6305, Arizona Revised Statutes, as amended by Laws  
10   2003, chapter 217, section 2, is amended to read:

11         28-6305. Construction account; expenditures; construction  
12                 contracts

13         A. Except as provided in subsection B of this section, monies in the  
14   construction account of the regional area road fund shall be spent, pledged  
15   or accumulated for the purposes provided in section 28-6304, subsection C,  
16   paragraphs 4 and 5, including payment of interest on and repayment of bonds  
17   and obligations issued pursuant to chapter 21 of this title if the proceeds  
18   of the bonds or obligations are used for the purposes provided in section  
19   28-6304, subsection C, ~~paragraph~~ PARAGRAPHS 4 AND 5.

20         B. Of the monies deposited in the construction account of the regional  
21   area road fund under section 28-6303, the state treasurer shall:

22             1. In each fiscal year, divide and equally distribute five million  
23   dollars to:

24             (a) The public transportation fund established in that county under  
25   section 48-5103.

26             (b) The regional planning agency in that county for planning and  
27   administration of the regional transportation plan approved pursuant to  
28   section 28-6308. The state treasurer shall distribute monies under this  
29   subdivision through the department on or before June 30 of each year.

30             2. Beginning with fiscal year 1987-1988, adjust the monies distributed  
31   under paragraph 1 by the annual percentage change for the previous calendar  
32   year in the GDP price deflator as defined in section 41-563.

33         C. The monies distributed under subsection B of this section shall  
34   only be spent for planning and ~~administration of~~ ADMINISTERING the regional  
35   transportation plan approved pursuant to section 28-6308 AND THE COSTS  
36   INCURRED BY THE AUDITOR GENERAL RELATING TO PERFORMANCE AUDITS UNDER SECTION  
37   28-6313. Before the beginning of each fiscal year, the respective governing  
38   bodies of the members of the regional planning agency and the board of  
39   directors of the regional public transportation authority shall explicitly  
40   identify and approve in the annual budgets the monies to be spent under  
41   subsection B of this section for the purposes allowed under this subsection.  
42   These expenditures are subject to the annual audit of the governing bodies'  
43   financial transactions.

44         D. The director may enter into construction contracts or contracts  
45   incidental to construction contracts payable from monies in either the bond

1 proceeds account or the construction account or both the bond proceeds and  
2 construction accounts.

3 Sec. 8. Section 28-6306, Arizona Revised Statutes, is amended to read:  
4 28-6306. Account expenditures; elections

5 A. Except as provided in subsection B, monies from any account in the  
6 regional area road fund shall not be spent to promote or advocate a position,  
7 alternative or outcome of an election, to influence public opinion or to pay  
8 or contract for consultants or advisors to influence public opinion with  
9 respect to an election regarding taxes or other sources of revenue for the  
10 fund or regarding the regional transportation plan.

11 B. Monies from any account in the regional area road fund may be  
12 spent:

13 1. As authorized by this article to determine public opinion before  
14 the election is called.

15 ~~2. To print, publish and distribute publicity pamphlets as required~~  
16 ~~by law containing arguments favoring and opposing issues presented in the~~  
17 ~~election~~ FOR COSTS SPECIFICALLY INCURRED WITH RESPECT TO A BALLOT ISSUE  
18 RELATING TO A COUNTY TRANSPORTATION EXCISE TAX IN A COUNTY WITH A POPULATION  
19 OF ONE MILLION TWO HUNDRED THOUSAND OR MORE PERSONS.

20 Sec. 9. Section 28-6308, Arizona Revised Statutes, is amended to read:  
21 28-6308. Regional planning agency transportation policy

22 committee; regional transportation plan; plan review  
23 process

24 A. The regional planning agency in the county shall establish a  
25 transportation policy committee consisting of TWENTY-THREE MEMBERS AS  
26 FOLLOWS:

27 1. SEVENTEEN members of the regional planning agency, ~~and~~  
28 ~~representatives of the private sector.~~ INCLUDING THE CHAIRPERSON OF THE  
29 CITIZENS TRANSPORTATION OVERSIGHT COMMITTEE, ONE MEMBER OF THE STATE  
30 TRANSPORTATION BOARD WHO REPRESENTS THE COUNTY, ONE MEMBER OF THE COUNTY  
31 BOARD OF SUPERVISORS AND ONE MEMBER REPRESENTING INDIAN COMMUNITIES IN THE  
32 COUNTY.

33 2. SIX MEMBERS WHO REPRESENT REGIONWIDE BUSINESS INTERESTS, ONE OF  
34 WHOM MUST REPRESENT TRANSIT INTERESTS, ONE OF WHOM MUST REPRESENT FREIGHT  
35 INTERESTS AND ONE OF WHOM MUST REPRESENT CONSTRUCTION INTERESTS. THE  
36 PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES SHALL  
37 EACH APPOINT THREE MEMBERS TO THE COMMITTEE PURSUANT TO THIS PARAGRAPH.  
38 MEMBERS WHO ARE APPOINTED PURSUANT TO THIS PARAGRAPH SERVE SIX-YEAR TERMS.  
39 THE CHAIRMAN OF THE REGIONAL PLANNING AGENCY MAY SUBMIT NAMES TO THE  
40 PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES FOR  
41 CONSIDERATION FOR APPOINTMENT TO THE TRANSPORTATION POLICY COMMITTEE.

42 B. Through the regional planning agency, the transportation policy  
43 committee shall:

44 1. By a majority vote of the members, recommend approval of a twenty  
45 year comprehensive, performance based, multimodal and coordinated regional



1 transportation plan in the county, including transportation corridors by  
2 priority and a schedule indicating the dates that construction will commence  
3 for projects contained in the plan.

4 2. Develop the plan in cooperation with the regional public  
5 transportation authority in the county and the department of transportation  
6 and in consultation with the county board of supervisors, Indian communities  
7 and cities and towns in the county.

8 3. Submit the plan for review by the regional public transportation  
9 authority in the county, the state board of transportation, the county board  
10 of supervisors, Indian communities and cities and towns in the county at the  
11 alternatives stage of the plan and the final draft stage of the plan. After  
12 reviewing the plan, the regional public transportation authority in the  
13 county, the county board of supervisors and the state board of  
14 transportation, by majority vote of the members of each entity within thirty  
15 days after receiving the plan, shall submit a written recommendation to the  
16 transportation policy committee that the plan be approved, modified or  
17 disapproved. Within thirty days after receiving the plan, Indian communities  
18 and cities and towns in the county may submit a written recommendation to the  
19 transportation policy committee that the plan be approved, modified or  
20 disapproved.

21 4. Consider plan modifications proposed by any of the entities as  
22 prescribed in paragraph 3 of this subsection.

23 5. By majority vote, approve, disapprove or further modify each  
24 proposed plan modification.

25 6. Provide a written response to the regional public transportation  
26 authority, the state board of transportation, the county board of supervisors  
27 and the entity that submitted the proposed modification within thirty days  
28 after the vote on the proposed modification explaining the affirmation,  
29 rejection or further modification of each proposed modification.

30 7. Recommend the plan to the regional planning agency for approval for  
31 an air quality conformity analysis ~~no later than September 30, 2003.~~

32 C. The regional transportation plan:

33 1. SHALL INCLUDE THE FOLLOWING TRANSPORTATION MODE CLASSIFICATIONS  
34 WITH A REVENUE ALLOCATION TO EACH CLASSIFICATION CONSISTENT WITH SECTION  
35 42-6105, SUBSECTION E:

36 (a) FREEWAYS AND OTHER ROUTES IN THE STATE HIGHWAY SYSTEM.

37 (b) MAJOR ARTERIAL STREETS AND INTERSECTION IMPROVEMENTS.

38 (c) PUBLIC TRANSPORTATION SYSTEMS.

39 ~~1.~~ 2. Shall ~~also~~ provide a suggested construction schedule for the  
40 transportation projects contained in the plan.

41 ~~2.~~ 3. May be annually updated to introduce new controlled access  
42 highways, related grade separations and transportation projects or to modify  
43 the existing plan.

44 ~~3.~~ 4. Shall be developed to meet federal air quality requirements  
45 established for the region in which it is located.



1 D. TRANSPORTATION EXCISE TAX REVENUES THAT ARE DISTRIBUTED PURSUANT  
2 TO SECTION 42-6105, SUBSECTION E SHALL NOT BE REDISTRIBUTED OR USED FOR OTHER  
3 TRANSPORTATION MODES. EXCEPT AS PROVIDED BY SECTION 28-6353, SUBSECTIONS D,  
4 E AND F, TRANSPORTATION EXCISE TAX REVENUES THAT ARE DEDICATED IN THE PLAN  
5 TO A SPECIFIC PROJECT OR TRANSPORTATION SYSTEM MAY ONLY BE REDISTRIBUTED TO  
6 OR OTHERWISE USED FOR ANOTHER PROJECT WITHIN THE SAME TRANSPORTATION MODE IF  
7 APPROVED BY A MAJORITY VOTE OF THE TRANSPORTATION POLICY COMMITTEE.

8 Sec. 10. Title 28, chapter 17, article 1, Arizona Revised Statutes,  
9 is amended by adding section 28-6313, to read:

10 28-6313. Performance audits of proposed transportation projects  
11 and systems

12 A. BEGINNING IN 2010 AND EVERY FIFTH YEAR THEREAFTER, THE AUDITOR  
13 GENERAL SHALL CONTRACT WITH A NATIONALLY RECOGNIZED INDEPENDENT AUDITOR WITH  
14 EXPERTISE IN EVALUATING MULTIMODAL TRANSPORTATION SYSTEMS AND IN REGIONAL  
15 TRANSPORTATION PLANNING TO CONDUCT A PERFORMANCE AUDIT, AS DEFINED IN SECTION  
16 41-1278, OF THE REGIONAL TRANSPORTATION PLAN AND PROJECTS SCHEDULED FOR  
17 FUNDING DURING THE NEXT FIVE YEARS.

18 B. WITH RESPECT TO LIGHT RAIL SYSTEMS, THE AUDIT SHALL CONSIDER THE  
19 CRITERIA USED BY THE FEDERAL TRANSIT ADMINISTRATION PURSUANT TO 49 UNITED  
20 STATES CODE SECTION 5309(e)(1)(B) AND THE INTERRELATIONSHIP AMONG THE  
21 CRITERIA TO PROVIDE FEDERAL FUNDING FOR LIGHT RAIL SYSTEMS. FOR LIGHT RAIL  
22 SYSTEMS, THE AUDIT SHALL ALSO CONSIDER:

- 23 1. SERVICE LEVELS.
- 24 2. CAPITAL COSTS.
- 25 3. OPERATION AND MAINTENANCE COSTS.
- 26 4. TRANSIT RIDERSHIP.
- 27 5. FAREBOX REVENUES.

28 C. THE AUDIT SHALL:

29 1. EXAMINE THE REGIONAL TRANSPORTATION PLAN AND PROJECTS SCHEDULED FOR  
30 FUNDING WITHIN EACH TRANSPORTATION MODE BASED ON THE PERFORMANCE FACTORS  
31 ESTABLISHED IN SECTION 28-505, SUBSECTION A, IN THE CONTEXT OF THE  
32 TRANSPORTATION SYSTEM.

33 2. REVIEW PAST EXPENDITURES OF THE REGIONAL TRANSPORTATION PLAN AND  
34 EXAMINE THE PERFORMANCE OF THE SYSTEM IN RELIEVING CONGESTION AND IMPROVING  
35 MOBILITY.

36 3. MAKE RECOMMENDATIONS REGARDING WHETHER FURTHER IMPLEMENTATION OF  
37 A PROJECT OR TRANSPORTATION SYSTEM IS WARRANTED, WARRANTED WITH MODIFICATIONS  
38 OR NOT WARRANTED.

39 D. THE AUDITOR GENERAL OR THE AUDITORS CONTRACTED TO CONDUCT THE AUDIT  
40 SHALL PERIODICALLY UPDATE THE TRANSPORTATION POLICY COMMITTEE REGARDING THE  
41 PROGRESS OF THE AUDIT.

42 E. WITHIN FORTY-FIVE DAYS AFTER THE RELEASE OF THE AUDIT, THE REGIONAL  
43 PUBLIC TRANSPORTATION AUTHORITY, THE CITIZENS TRANSPORTATION OVERSIGHT  
44 COMMITTEE, THE STATE TRANSPORTATION BOARD AND THE COUNTY BOARD OF  
45 SUPERVISORS, BY A MAJORITY VOTE OF EACH ENTITY, SHALL SUBMIT WRITTEN

1 RECOMMENDATIONS TO THE TRANSPORTATION POLICY COMMITTEE THAT THE FINDINGS ARE  
2 AGREED TO OR DISAGREED WITH AND THE RECOMMENDATIONS SHOULD BE IMPLEMENTED,  
3 IMPLEMENTED WITH MODIFICATION OR NOT BE IMPLEMENTED.

4 F. WITHIN FORTY-FIVE DAYS AFTER THE AUDIT'S RELEASE, THE REGIONAL  
5 PLANNING AGENCY SHALL HOLD A PUBLIC HEARING ON THE AUDIT FINDINGS AND  
6 RECOMMENDATIONS.

7 G. THE AUDITOR GENERAL SHALL DISTRIBUTE COPIES OF THE AUDIT TO:

8 1. THE REGIONAL PLANNING AGENCY.

9 2. THE TRANSPORTATION POLICY COMMITTEE.

10 3. THE CITIZENS TRANSPORTATION OVERSIGHT COMMITTEE.

11 4. THE REGIONAL PUBLIC TRANSPORTATION AUTHORITY IN THE COUNTY.

12 5. THE COUNTY BOARD OF SUPERVISORS.

13 6. THE STATE TRANSPORTATION BOARD.

14 7. THE GOVERNOR, SECRETARY OF STATE, PRESIDENT OF THE SENATE AND  
15 SPEAKER OF THE HOUSE OF REPRESENTATIVES.

16 8. THE ARIZONA STATE LIBRARY, ARCHIVES AND PUBLIC RECORDS.

17 9. ANY OTHER PERSON WHO REQUESTS A COPY PURSUANT TO TITLE 39,  
18 ARTICLE 2.

19 H. THE STATE TRANSPORTATION BOARD, REGIONAL PLANNING AGENCY, REGIONAL  
20 PUBLIC TRANSPORTATION AUTHORITY AND COUNTY BOARD OF SUPERVISORS SHALL  
21 COOPERATE WITH AND SUBMIT TO THE AUDITOR GENERAL AND THE AUDITORS CONTRACTED  
22 TO CONDUCT THE AUDIT INFORMATION NECESSARY TO CONDUCT THE AUDITS UNDER THIS  
23 SECTION.

24 I. THE COST INCURRED BY THE AUDITOR GENERAL IN CONTRACTING WITH  
25 INDEPENDENT AUDITORS FOR CONDUCTING PERFORMANCE AUDITS UNDER SUBSECTION A OF  
26 THIS SECTION SHALL BE PAID FROM REVENUES OF THE COUNTY TRANSPORTATION EXCISE  
27 TAX UNDER SECTION 42-6105. WHEN DUE, THE PAYMENTS HAVE PRIORITY OVER ANY  
28 OTHER DISTRIBUTION AUTHORIZED BY SECTION 42-6105. THE AUDITOR GENERAL SHALL  
29 DEPOSIT THE PAYMENTS IN THE AUDIT SERVICES REVOLVING FUND ESTABLISHED BY  
30 SECTION 41-1279.06.

31 Sec. 11. Heading change

32 The heading of title 28, chapter 17, article 2, Arizona Revised  
33 Statutes, is changed from "CONTROLLED ACCESS HIGHWAY SYSTEM" to "REGIONAL  
34 TRANSPORTATION PLAN".

35 Sec. 12. Section 28-6351, Arizona Revised Statutes, is amended to  
36 read:

37 28-6351. Definitions

38 In this article, unless the context otherwise requires:

39 1. "Controlled access highway" has the same meaning prescribed in  
40 section 28-601.

41 2. "Enhancement" means an addition that exceeds generally accepted  
42 engineering or design standards for the specific type of facility.

43 3. ~~"Regional freeway system" means the controlled access highways and~~  
44 ~~related grade separations of controlled access highways that are eligible for~~  
45 ~~regional area road fund monies pursuant to article 1 of this chapter.~~

1           3. "REGIONAL TRANSPORTATION PLAN" MEANS THE TWENTY YEAR COMPREHENSIVE,  
2 PERFORMANCE BASED, MULTIMODAL AND COORDINATED REGIONAL TRANSPORTATION PLAN  
3 APPROVED FOR THE COUNTY PURSUANT TO SECTION 28-6308, AS AMENDED OR OTHERWISE  
4 MODIFIED.

5           Sec. 13. Section 28-6352, Arizona Revised Statutes, is amended to  
6 read:

7           28-6352. Regional highway and street system; budget process

8           A. The department shall adopt a budget process that ensures the  
9 estimated cost of the ~~regional freeway system, including corridors and~~  
10 ~~corridor segments~~, TRANSPORTATION MODE CLASSIFICATION DESCRIBED IN SECTION  
11 28-6308, SUBSECTION C, PARAGRAPH 1, SUBDIVISION (a) does not exceed the total  
12 amount of revenues estimated to be available for the ~~regional freeway system~~  
13 THAT MODE CLASSIFICATION.

14           B. THE REGIONAL PLANNING AGENCY SHALL ADOPT A BUDGET PROCESS THAT  
15 ENSURES THE ESTIMATED COST OF THE TRANSPORTATION MODE CLASSIFICATION  
16 DESCRIBED IN SECTION 28-6308, SUBSECTION C, PARAGRAPH 1, SUBDIVISION (b) DOES  
17 NOT EXCEED THE TOTAL AMOUNT OF REVENUES ESTIMATED TO BE AVAILABLE FOR THAT  
18 MODE CLASSIFICATION.

19           Sec. 14. Section 28-6353, Arizona Revised Statutes, as amended by Laws  
20 2003, chapter 217, section 4, is amended to read:

21           28-6353. Regional transportation plan and project enhancements  
22 and changes

23           A. The regional planning agency in the county shall approve any change  
24 in the regional transportation plan and the projects funded ~~pursuant to~~  
25 ~~section 42-6104~~ IN THE REGIONAL TRANSPORTATION PLAN that affect the planning  
26 agency's transportation improvement program, including project priorities.

27           B. Requests for changes to transportation projects funded ~~pursuant to~~  
28 ~~section 42-6104~~ IN THE REGIONAL TRANSPORTATION PLAN that would materially  
29 increase costs shall be submitted to the regional planning agency for  
30 approval and submitted by the regional planning agency to the board for  
31 approval.

32           C. If a local authority requests an enhancement to a transportation  
33 project funded pursuant to ~~section 42-6104~~ THE REGIONAL TRANSPORTATION PLAN,  
34 the local authority shall pay all costs associated with the enhancement.

35           D. THE PROCESS PRESCRIBED IN SUBSECTION E OF THIS SECTION IS REQUIRED  
36 IF:

37           1. AN AUDIT FINDING PURSUANT TO SECTION 28-6313 RECOMMENDS THAT A  
38 PROJECT OR SYSTEM IN THE REGIONAL TRANSPORTATION PLAN IS NOT WARRANTED OR  
39 REQUIRES A MODIFICATION THAT IS A MAJOR AMENDMENT AS DEFINED IN SECTION  
40 28-6301.

41           2. THE TRANSPORTATION POLICY COMMITTEE RECOMMENDS TO THE REGIONAL  
42 PLANNING AGENCY A MODIFICATION OF THE REGIONAL TRANSPORTATION PLAN THAT IS  
43 A MAJOR AMENDMENT AS DEFINED IN SECTION 28-6301.

1 E. A MAJOR AMENDMENT REQUIRES THE FOLLOWING:

2 1. CONSIDERATION BY THE TRANSPORTATION POLICY COMMITTEE OF  
3 ALTERNATIVES IN THE SAME MODAL CATEGORY THAT WILL RELIEVE CONGESTION AND  
4 IMPROVE MOBILITY IN THE SAME GENERAL CORRIDOR ADDRESSED BY THE ORIGINALLY  
5 PLANNED PROJECT OR SYSTEM.

6 2. IF A REASONABLE OPTION IS IDENTIFIED AS AN ALTERNATIVE FOR THE  
7 ORIGINALLY PLANNED PROJECT OR SYSTEM, THE TRANSPORTATION POLICY COMMITTEE  
8 SHALL SUBMIT THE PROPOSED AMENDMENT FOR REVIEW BY THE REGIONAL PUBLIC  
9 TRANSPORTATION AUTHORITY IN THE COUNTY, THE STATE BOARD OF TRANSPORTATION,  
10 THE COUNTY BOARD OF SUPERVISORS, INDIAN COMMUNITIES, CITIES AND TOWNS IN THE  
11 COUNTY AND THE CITIZENS TRANSPORTATION OVERSIGHT COMMITTEE. AFTER REVIEWING  
12 THE PROPOSED AMENDMENT, THE BOARD OF DIRECTORS OF THE REGIONAL PUBLIC  
13 TRANSPORTATION AUTHORITY, THE STATE BOARD OF TRANSPORTATION AND THE COUNTY  
14 BOARD OF SUPERVISORS, BY A MAJORITY VOTE OF THE MEMBERS OF EACH BOARD WITHIN  
15 THIRTY DAYS AFTER RECEIVING THE PROPOSED AMENDMENT, SHALL SUBMIT A WRITTEN  
16 RECOMMENDATION TO THE TRANSPORTATION POLICY COMMITTEE THAT THE PROPOSED  
17 AMENDMENT BE APPROVED, MODIFIED OR DISAPPROVED. WITHIN THIRTY DAYS AFTER  
18 RECEIVING THE AMENDMENT, THE CITIZENS TRANSPORTATION OVERSIGHT COMMITTEE AND  
19 THE INDIAN COMMUNITIES, CITIES AND TOWNS MAY ALSO SUBMIT WRITTEN  
20 RECOMMENDATIONS TO THE TRANSPORTATION POLICY COMMITTEE THAT THE PROPOSED  
21 AMENDMENT BE APPROVED, MODIFIED OR DISAPPROVED.

22 3. IF NO REASONABLE OPTION FOR AN ALTERNATIVE TO THE ORIGINALLY  
23 PLANNED PROJECT OR SYSTEM IS IDENTIFIED, THE TRANSPORTATION POLICY COMMITTEE  
24 SHALL SUBMIT AN AMENDMENT TO DELETE THE ORIGINAL PROJECT FOR REVIEW BY THE  
25 REGIONAL PUBLIC TRANSPORTATION AUTHORITY, THE STATE BOARD OF TRANSPORTATION,  
26 THE COUNTY BOARD OF SUPERVISORS, INDIAN COMMUNITIES, CITIES AND TOWNS IN THE  
27 COUNTY AND THE CITIZENS TRANSPORTATION OVERSIGHT COMMITTEE. AFTER REVIEWING  
28 THE PROPOSED AMENDMENT THE BOARD OF DIRECTORS OF THE REGIONAL PUBLIC  
29 TRANSPORTATION AUTHORITY, THE STATE BOARD OF TRANSPORTATION AND THE COUNTY  
30 BOARD OF SUPERVISORS, BY A MAJORITY VOTE OF THE MEMBERS OF EACH BOARD WITHIN  
31 THIRTY DAYS AFTER RECEIVING THE PROPOSED AMENDMENT, SHALL SUBMIT A WRITTEN  
32 RECOMMENDATION TO THE TRANSPORTATION POLICY COMMITTEE THAT THE PROPOSED  
33 AMENDMENT BE APPROVED, MODIFIED OR DISAPPROVED. WITHIN THIRTY DAYS AFTER  
34 RECEIVING THE PROPOSED AMENDMENT, THE CITIZENS TRANSPORTATION OVERSIGHT  
35 COMMITTEE AND INDIAN COMMUNITIES, CITIES AND TOWNS IN THE COUNTY MAY ALSO  
36 SUBMIT WRITTEN RECOMMENDATIONS TO THE TRANSPORTATION POLICY COMMITTEE THAT  
37 THE PROPOSED AMENDMENT BE APPROVED, MODIFIED OR DISAPPROVED.

38 4. THE TRANSPORTATION POLICY COMMITTEE MUST CONSIDER ANY WRITTEN  
39 RECOMMENDATIONS SUBMITTED BY ANY OF THE REVIEWING ENTITIES AS PRESCRIBED BY  
40 PARAGRAPH 2 OR 3 OF THIS SUBSECTION.

41 5. THE TRANSPORTATION POLICY COMMITTEE SHALL RECOMMEND APPROVAL,  
42 DISAPPROVAL OR MODIFICATION OF THE PROPOSED AMENDMENT TO THE REGIONAL  
43 PLANNING AGENCY FOR CONSIDERATION.

1 F. THE AFFIRMATIVE VOTE OF SEVENTEEN MEMBERS OF THE TRANSPORTATION  
2 POLICY COMMITTEE IS REQUIRED TO APPROVE AND PROCEED WITH EITHER OF THE  
3 FOLLOWING:

4 1. RECOMMENDATION OF A MAJOR AMENDMENT TO THE REGIONAL PLANNING AGENCY  
5 THAT FAILS TO RECEIVE APPROVAL OF EITHER THE REGIONAL PUBLIC TRANSPORTATION  
6 AUTHORITY IN THE COUNTY, THE STATE BOARD OF TRANSPORTATION OR THE COUNTY  
7 BOARD OF SUPERVISORS AS PRESCRIBED IN THIS SECTION.

8 2. A TRANSPORTATION PROJECT OR SYSTEM THAT IS FOUND TO BE UNWARRANTED  
9 BY AN AUDIT AS PRESCRIBED IN THIS SECTION.

10 Sec. 15. Section 28-6354, Arizona Revised Statutes, as amended by Laws  
11 2003, chapter 217, section 5, is amended to read:

12 28-6354. Annual report; hearing; priority criteria

13 A. The regional planning agency shall issue an annual report on the  
14 status of the projects funded pursuant to section 42-6104 OR 42-6105 and  
15 shall hold a public hearing in the county within thirty days after the report  
16 is issued. The report and the hearing shall address the following topics:

17 1. The status of the projects.  
18 2. Proposed changes to the regional transportation plan.  
19 3. Proposed changes in corridor and corridor segment priorities and  
20 to other projects funded pursuant to section 42-6104 OR 42-6105.

21 4. Project financing and project options.  
22 5. The criteria used to establish priorities as required by subsection  
23 B of this section.

24 B. The regional planning agency shall develop criteria to establish  
25 the priority of corridors and corridor segments and other transportation  
26 projects, including:

27 1. The extent of local public and private funding participation.  
28 2. The social and community impact.  
29 3. The establishment of a complete transportation system for the  
30 region as rapidly as is practicable.  
31 4. The construction of projects to serve regional transportation  
32 needs.

33 5. The construction of segments that provide connectivity with other  
34 elements of the regional transportation system.

35 6. Other relevant criteria developed by the regional planning agency.

36 Sec. 16. Section 28-6355, Arizona Revised Statutes, is amended to  
37 read:

38 28-6355. Documentation; regional area road fund reimbursement

39 A. The department shall document the acquisition of rights-of-way for  
40 the regional ~~freeway system~~ FREEWAYS AND OTHER ROUTES ON THE STATE HIGHWAY  
41 SYSTEM RELATED TO THE REGIONAL TRANSPORTATION PLAN, including any  
42 negotiations and agreements for acquisition of rights-of-way.

43 B. The department shall reimburse the regional area road fund  
44 established by section 28-6302 or the highway user revenue fund established  
45 by section 28-6533 if the department uses property for administrative



1 purposes that is acquired for the regional ~~freeway system~~ FREEWAYS AND OTHER  
2 ROUTES ON THE STATE HIGHWAY SYSTEM RELATED TO THE REGIONAL TRANSPORTATION  
3 PLAN with monies from the regional area road fund or monies distributed from  
4 the highway user revenue fund pursuant to section 28-6538, subsection B,  
5 paragraph 1. The department shall determine the amount of the reimbursement  
6 according to the fair rental value of the property based on an independent  
7 appraisal. The department shall allocate and reimburse the amount to the  
8 fund from which the monies were taken.

9 Sec. 17. Section 28-6356, Arizona Revised Statutes, as amended by Laws  
10 2003, chapter 217, section 6, is amended to read:

11 28-6356. Citizens transportation oversight committee

12 A. A citizens transportation oversight committee is established in  
13 counties with a population of one million two hundred thousand or more  
14 persons and that have levied a transportation excise tax pursuant to section  
15 42-6104 OR 42-6105.

16 B. The citizens transportation oversight committee consists of the  
17 following members who are not elected officials of or employed by this state  
18 or any county, city or town in this state:

19 1. One member who serves as chairperson of the committee and who is  
20 appointed by the governor pursuant to section 38-211.

21 2. One member who represents each supervisorial district in the county  
22 and who is appointed by the board of supervisors. The board of supervisors  
23 shall consult with the mayors of each city and town located within each  
24 supervisorial district regarding appointments. At all times during the term,  
25 each member appointed pursuant to this paragraph shall legally reside in a  
26 different city or town located in the county. Members appointed pursuant to  
27 this paragraph shall have expertise in transportation systems or issues.

28 3. One member who resides in the county and who is appointed by the  
29 governor pursuant to section 38-211.

30 C. Members shall be appointed for terms of three years.

31 D. The chairperson shall also serve as:

32 1. A nonvoting member of the departmental committee established by  
33 section 28-6951 only for issues relating to the regional ~~freeway system~~  
34 TRANSPORTATION PLAN. The chairperson may appoint a designee to attend  
35 meetings of the departmental committee.

36 2. A voting member of the governing body of the regional planning  
37 agency in the county for all matters relating to the regional ~~freeway system~~  
38 TRANSPORTATION PLAN.

39 3. A VOTING MEMBER OF THE TRANSPORTATION POLICY COMMITTEE OF THE  
40 REGIONAL PLANNING AGENCY UNDER SECTION 28-6308 IN THE COUNTY FOR ALL MATTERS  
41 RELATING TO THE REGIONAL TRANSPORTATION PLAN.

42 E. The citizens transportation oversight committee shall meet at least  
43 once each calendar quarter.



- 1 F. The citizens transportation oversight committee shall:
- 2 1. Review and advise the board, the governor, the director, the
- 3 governing body of the regional planning agency and the board of directors of
- 4 the regional public transportation authority on matters relating to all
- 5 projects funded pursuant to section 42-6104 AND IN THE REGIONAL
- 6 TRANSPORTATION PLAN.
- 7 2. Review and make recommendations regarding any proposed major
- 8 revision AMENDMENT of the regional transportation plan by the governing body
- 9 of the regional planning agency PURSUANT TO SECTION 28-6353. ~~For the~~
- 10 ~~purposes of this paragraph, "major revision" means an addition or deletion~~
- 11 ~~of a transportation project funded pursuant to section 42-6104.~~
- 12 3. Annually review and comment on the criteria developed pursuant to
- 13 section 28-6354, subsection B.
- 14 4. Hold public hearings and issue public reports as it deems
- 15 appropriate.
- 16 5. Annually contract with an independent auditor who is a certified
- 17 public accountant to conduct a financial compliance audit of all expenditures
- 18 from the regional area road fund and the public transportation fund and
- 19 receive the auditor's report. The department shall reimburse the committee
- 20 for the cost of this audit from the highway user revenue fund pursuant to
- 21 section 28-6538, subsection B, paragraph 1.
- 22 6. In consultation with the auditor general, set parameters for the
- 23 performance audit prescribed in section 41-1279.03, subsection A, paragraph
- 24 6 in the county, review the results of the auditor general's performance
- 25 audit and make recommendations to the regional planning agency, the regional
- 26 public transportation authority, the department, the speaker of the house of
- 27 representatives, the president of the senate and the governor.
- 28 G. The committee may:
- 29 1. Receive written complaints from citizens regarding adverse impacts
- 30 of any transportation project funded pursuant to ~~section 42-6104~~ IN THE
- 31 REGIONAL TRANSPORTATION PLAN, determine which complaints warrant further
- 32 review and make recommendations to the state transportation board regarding
- 33 the complaints.
- 34 2. Receive written complaints from citizens relating to the regional
- 35 planning agency's responsibilities as prescribed in this chapter, determine
- 36 which complaints warrant further review and make recommendations to the
- 37 regional planning agency regarding the complaints.
- 38 3. Make recommendations to the regional planning agency, the regional
- 39 public transportation authority and the state transportation board regarding
- 40 TRANSPORTATION projects AND PUBLIC TRANSPORTATION SYSTEMS funded pursuant to
- 41 ~~section 42-6104~~ in the regional transportation plan, the transportation
- 42 improvement program, the department's five year construction program and the
- 43 life cycle management program ~~for the regional freeway system.~~
- 44 H. Failure by the citizens transportation oversight committee to act
- 45 does not bar the governing body of the regional planning agency or the board

1 of directors of the regional public transportation authority from taking  
2 action.

3 I. Members of the committee are not eligible to receive compensation  
4 or reimbursement for expenses.

5 Sec. 18. Section 28-6357, Arizona Revised Statutes, is amended to  
6 read:

7 28-6357. Special assistant for the regional transportation plan

8 A. The director shall appoint a special assistant for the regional  
9 ~~freeway system~~ TRANSPORTATION PLAN to provide coordination among the  
10 department of transportation, the regional planning agency and the local  
11 entities that are members of the regional planning agency on the regional  
12 ~~freeway system~~ TRANSPORTATION PLAN.

13 B. The duties of the special assistant for the regional ~~freeway system~~  
14 TRANSPORTATION PLAN include:

15 1. Life cycle management for the funding and programming of the  
16 regional ~~freeway system~~ TRANSPORTATION PLAN, including ombudsman services and  
17 oversight of gathering, analyzing, reporting, forecasting, coordinating,  
18 monitoring and executing information and programs related to the regional  
19 ~~freeway system~~ TRANSPORTATION PLAN.

20 2. Administrative support for the activities of the citizens  
21 transportation oversight committee established pursuant to section  
22 28-6356. The special assistant ~~for the regional freeway system~~ is eligible  
23 to receive reimbursement for expenses incurred by providing administrative  
24 support for the activities of the citizens transportation oversight committee  
25 from monies distributed from the highway user revenue fund pursuant to  
26 section 28-6538, subsection B, paragraph 1.

27 3. Preparation and dissemination of reports on the status and the  
28 progress of the regional ~~freeway system~~ TRANSPORTATION PLAN to the citizens  
29 transportation oversight committee, the governor, the speaker of the house  
30 of representatives, the president of the senate, the regional planning agency  
31 and other interested governmental agencies and citizens.

32 4. Coordination of public hearings of the citizens oversight committee  
33 on the regional ~~freeway system~~ TRANSPORTATION PLAN.

34 C. The special assistant for the regional ~~freeway system~~  
35 TRANSPORTATION PLAN is eligible to receive compensation pursuant to section  
36 38-611. Notwithstanding the limitations imposed in section 28-6305, the  
37 compensation OF THE SPECIAL ASSISTANT shall be paid from the regional area  
38 road fund.

39 Sec. 19. Section 28-7561, Arizona Revised Statutes, is amended to  
40 read:

41 28-7561. Bonds payable from transportation excise taxes

42 A. The board is designated as the body having sole and exclusive power  
43 to authorize and issue bonds or incur long-term obligations payable in whole  
44 or in part from monies in a regional area road fund established by chapter  
45 17, article 1 of this title. The board may act for and on behalf of a county

1 that has a regional area road fund established by chapter 17, article 1 of  
2 this title to:

3 1. Issue negotiable bonds payable solely from monies paid into the  
4 bond account of the respective regional area road fund in a principal amount  
5 that in the opinion of the board is necessary to provide sufficient monies  
6 for any lawful purpose for which the respective regional area road fund  
7 monies may be spent, to establish reserves to secure the bonds and to provide  
8 for the payment of all other expenditures of the board that are incidental,  
9 necessary and convenient to carry out these purposes.

10 2. Issue refunding bonds if the board deems refunding expedient,  
11 INCLUDING REFUNDING ANY BONDS AND OTHER OBLIGATIONS ISSUED PURSUANT TO  
12 CHAPTER 21 OF THIS TITLE IF THE PROCEEDS OF THE BONDS AND OTHER OBLIGATIONS  
13 TO BE REFUNDED ARE USED FOR THE PURPOSES PROVIDED IN SECTION 28-6304,  
14 SUBSECTION C, PARAGRAPH 4 OR 5, AS APPLICABLE, WHETHER THE BONDS AND OTHER  
15 OBLIGATIONS TO BE REFUNDED HAVE OR HAVE NOT MATURED. PROCEEDS OF THE  
16 REFUNDING BONDS MAY BE USED TO PAY PRINCIPAL, INTEREST OR REDEMPTION PREMIUMS  
17 ON THE REFUNDED BONDS AND OTHER OBLIGATIONS.

18 3. Refund any bonds issued by the board and payable from regional area  
19 road fund income as authorized in this article by the issuance of refunding  
20 bonds, whether the bonds to be refunded have or have not matured. Proceeds  
21 of refunding bonds may be used to pay principal, interest or redemption  
22 premiums on refunded bonds.

23 4. Issue bonds partly to refund bonds ~~then~~ AND OTHER OBLIGATIONS  
24 DESCRIBED IN PARAGRAPHS 2 AND 3 OF THIS SUBSECTION outstanding and partly for  
25 any other purpose consistent with this article.

26 B. Regardless of whether or not the bonds are of such form or  
27 character as to be negotiable instruments under the terms of the uniform  
28 commercial code, the bonds are fully negotiable within the meaning and for  
29 all purposes of the uniform commercial code.

30 Sec. 20. Title 42, chapter 6, article 3, Arizona Revised Statutes, is  
31 amended by adding section 42-6105, to read:

32 42-6105. County transportation excise tax; counties with  
33 population of one million two hundred thousand or  
34 more persons

35 A. IF APPROVED BY THE QUALIFIED ELECTORS VOTING AT A COUNTYWIDE  
36 ELECTION, A COUNTY WITH A POPULATION OF ONE MILLION TWO HUNDRED THOUSAND OR  
37 MORE PERSONS SHALL LEVY AND THE DEPARTMENT SHALL COLLECT A TAX AS PROVIDED  
38 BY THIS SECTION, IN ADDITION TO ALL OTHER TAXES.

39 B. THE TAX SHALL BE LEVIED AND COLLECTED:

40 1. AT A RATE OF NOT MORE THAN TEN PER CENT OF THE TRANSACTION  
41 PRIVILEGE TAX RATE PRESCRIBED BY SECTION 42-5010, SUBSECTION A APPLYING, AS  
42 OF JANUARY 1, 1990:

43 (a) TO EACH PERSON ENGAGING OR CONTINUING IN THE COUNTY IN A BUSINESS  
44 TAXED UNDER CHAPTER 5, ARTICLE 1 OF THIS TITLE.

1 (b) EXCEPT THAT FOR THE PURPOSES OF THIS PARAGRAPH WITH RESPECT TO THE  
2 PRIME CONTRACTING CLASSIFICATION UNDER SECTION 42-5075, THE GROSS PROCEEDS  
3 OF SALES OR GROSS INCOME THAT IS DEDUCTIBLE PURSUANT TO SECTION 42-5075,  
4 SUBSECTION B, PARAGRAPH 8 OR PURSUANT TO SECTION 42-5061, SUBSECTION A,  
5 PARAGRAPH 27 FOR SALES TO A CONTRACTOR WHO IS EXEMPT UNDER SECTION 42-5075,  
6 SUBSECTION B, PARAGRAPH 8 SHALL BE INCLUDED IN THE TAX BASE FOR PURPOSES OF  
7 THIS PARAGRAPH.

8 2. IN THE CASE OF PERSONS SUBJECT TO THE TAX IMPOSED UNDER SECTION  
9 42-5352, SUBSECTION A, AT A RATE OF NOT MORE THAN .305 CENTS PER GALLON OF  
10 JET FUEL SOLD.

11 3. ON THE USE OR CONSUMPTION OF ELECTRICITY OR NATURAL GAS BY RETAIL  
12 ELECTRIC OR NATURAL GAS CUSTOMERS IN THE COUNTY WHO ARE SUBJECT TO USE TAX  
13 UNDER SECTION 42-5155, AT A RATE EQUAL TO THE TRANSACTION PRIVILEGE TAX RATE  
14 UNDER PARAGRAPH 1 OF THIS SUBSECTION APPLYING TO PERSONS ENGAGING OR  
15 CONTINUING IN THE COUNTY IN THE UTILITIES TRANSACTION PRIVILEGE TAX  
16 CLASSIFICATION.

17 C. A TAX UNDER THIS SECTION MAY NOT BE LEVIED AT THE SAME TIME AS A  
18 TAX IN THE COUNTY UNDER SECTION 42-6104. A TAX LEVY UNDER THIS SECTION SHALL  
19 NOT BEGIN UNTIL THE EXPIRATION OF THE TAX UNDER SECTION 42-6104.

20 D. THE TAX LEVIED UNDER THIS SECTION SHALL BE IN EFFECT FOR A TERM OF  
21 TWENTY YEARS.

22 E. THE NET REVENUES COLLECTED UNDER THIS SECTION SHALL BE DISTRIBUTED  
23 AND DEPOSITED AS FOLLOWS FOR USE CONSISTENT WITH THE REGIONAL TRANSPORTATION  
24 PLAN ADOPTED UNDER TITLE 28, CHAPTER 17, ARTICLE 1:

25 1. 56.2 PER CENT TO THE REGIONAL AREA ROAD FUND PURSUANT TO SECTION  
26 28-6303 FOR FREEWAYS AND OTHER ROUTES IN THE STATE HIGHWAY SYSTEM, INCLUDING  
27 CAPITAL EXPENSE AND MAINTENANCE.

28 2. 10.5 PER CENT TO THE REGIONAL AREA ROAD FUND PURSUANT TO SECTION  
29 28-6303 FOR MAJOR ARTERIAL STREETS AND INTERSECTION IMPROVEMENTS, INCLUDING  
30 CAPITAL EXPENSE AND IMPLEMENTATION STUDIES.

31 3. 33.3 PER CENT TO THE PUBLIC TRANSPORTATION FUND PURSUANT TO SECTION  
32 48-5103 FOR:

33 (a) CAPITAL COSTS, MAINTENANCE AND OPERATION OF PUBLIC TRANSPORTATION  
34 CLASSIFICATIONS.

35 (b) CAPITAL COSTS AND UTILITY RELOCATION COSTS ASSOCIATED WITH A LIGHT  
36 RAIL PUBLIC TRANSIT SYSTEM.

37 Sec. 21. Section 48-5103, Arizona Revised Statutes, as amended by Laws  
38 2003, chapter 217, section 7, is amended to read:

39 48-5103. Public transportation fund

40 A. A public transportation fund is established for the authority. The  
41 fund consists of:

42 1. Monies appropriated by each municipality that is a member of the  
43 authority or the county, if it elected to enter into the authority. Each  
44 member municipality and member county shall appropriate monies to the public  
45 transportation fund in an amount determined by the board.

1           2. Monies appropriated by a county that has not elected to enter into  
2 the authority in an amount determined by the county board of supervisors.

3           3. Transportation excise tax revenues that are allocated to the fund  
4 pursuant to section 42-6104 OR 42-6105. THE BOARD SHALL SEPARATELY ACCOUNT  
5 FOR MONIES FROM TRANSPORTATION EXCISE TAX REVENUES ALLOCATED PURSUANT TO  
6 SECTION 42-6105, SUBSECTION E, PARAGRAPH 3 FOR:

7           (a) A LIGHT RAIL PUBLIC TRANSIT SYSTEM.

8           (b) CAPITAL COSTS FOR OTHER PUBLIC TRANSPORTATION.

9           (c) OPERATION AND MAINTENANCE COSTS FOR OTHER PUBLIC TRANSPORTATION.

10          4. Monies distributed under title 28, chapter 17, article 1.

11          5. Grants, gifts or donations from public or private sources.

12          6. Monies granted by the federal government or appropriated by the  
13 legislature.

14          7. Fares or other revenues collected in operating a public  
15 transportation system.

16          8. Local transportation assistance monies that are distributed to each  
17 member under section 28-8102 and as provided in section 48-5104.

18          9. Local transportation assistance monies that are distributed to a  
19 member pursuant to section 28-8102 and that must be used for public  
20 transportation.

21          10. Local transportation assistance monies that are distributed  
22 pursuant to section 28-8103, subsection A, paragraph 1.

23          B. On behalf of the authority, the fiscal agent shall administer  
24 monies paid into the public transportation fund. Monies in the fund may be  
25 spent pursuant to or to implement the regional public transportation system  
26 plan, INCLUDING REIMBURSEMENT FOR UTILITY RELOCATION COSTS AS PRESCRIBED IN  
27 SECTION 48-5107, adopted pursuant to section 48-5121 and for projects  
28 identified in the regional transportation plan adopted by the regional  
29 planning agency pursuant to section 28-6308.

30          C. Monies in the fund shall not be spent to promote or advocate a  
31 position, alternative or outcome of an election, to influence public opinion  
32 or to pay or contract for consultants or advisors to influence public opinion  
33 with respect to an election regarding taxes or other sources of revenue for  
34 the fund or regarding the regional public transportation system plan.

35          Sec. 22. Title 48, chapter 29, article 1, Arizona Revised Statutes,  
36 is amended by adding section 48-5107, to read:

37          48-5107. Utility relocation reimbursement; definition

38          A. ALL COSTS FOR THE RELOCATION, AND REASONABLE ONGOING COSTS RELATED  
39 TO THE RELOCATION, OF UTILITY FACILITIES INCURRED AFTER JULY 1, 2003 AS A  
40 DIRECT RESULT OF THE CONSTRUCTION AND OPERATION OF A LIGHT RAIL PROJECT SHALL  
41 BE REIMBURSED BY THE LIGHT RAIL PROJECT TO THE UTILITY. THE BOARD SHALL MAKE  
42 THE PAYMENTS FROM TRANSPORTATION EXCISE TAX REVENUES ALLOCATED PURSUANT TO  
43 SECTION 48-5103, SUBSECTION A, PARAGRAPH 3, SUBDIVISION (a) WITHIN NINETY  
44 DAYS AFTER PRESENTATION OF A STATEMENT OF VERIFIED EXPENSES. THE STATEMENT  
45 OF VERIFIED EXPENSES SHALL NOT INCLUDE PROFIT BUT MAY INCLUDE A REASONABLE



1 ALLOCATION OF GENERAL OVERHEAD. THE VERIFIED EXPENSES MAY BE REVIEWED AND  
2 AUDITED BY THE LIGHT RAIL OPERATOR, BUT THE AUDIT MUST BE CONCLUDED WITHIN  
3 NINETY DAYS AND SHALL BE CONDUCTED PURSUANT TO STANDARD INDUSTRY ACCOUNTING  
4 PRINCIPLES.

5 B. IF THE RELOCATED UTILITY HAS EXISTING LAND RIGHTS, THE LIGHT RAIL  
6 OPERATOR SHALL RELOCATE THE UTILITY WITH EQUAL LAND RIGHTS. IF THE RELOCATED  
7 UTILITY IS OPERATING IN THE RIGHT OF WAY UNDER A PERMIT, THE LIGHT RAIL  
8 OPERATOR SHALL RELOCATE THE UTILITY ACCORDING TO THE UTILITY'S EXISTING  
9 RIGHTS UNDER THE PERMIT WITHIN THE RIGHT OF WAY.

10 C. THE LIGHT RAIL OPERATOR SHALL BE FULLY RESPONSIBLE FOR ACTS,  
11 NEGLIGENCE OR OMISSIONS OF ALL OF ITS EMPLOYEES ON THE PROJECT THAT RESULT  
12 IN DAMAGE TO UTILITY FACILITIES.

13 D. FOR THE PURPOSES OF THIS SECTION, "UTILITY" MEANS ANY PUBLIC  
14 SERVICE CORPORATION, AGRICULTURAL IMPROVEMENT DISTRICT, LICENSED CABLE  
15 TELEVISION SYSTEM, TELEPHONE LINE OR TELEGRAPH LINE CORPORATION OR PERSON  
16 ENGAGED IN THE GENERATION, TRANSMISSION OR DELIVERY OF ELECTRICITY, NATURAL  
17 GAS, TELEPHONE, CABLE TELEVISION, TELEGRAPH OR WATER SERVICE, INCLUDING THIS  
18 STATE OR ANY POLITICAL SUBDIVISION OR AGENCY OF THIS STATE.

19 Sec. 23. Section 48-5121, Arizona Revised Statutes, is amended to  
20 read:

21 48-5121. Regional public transportation system plan

22 A. In counties with a population of one million two hundred thousand  
23 persons or more, the board shall develop a regional public transportation  
24 system plan THAT IS COORDINATED WITH THE REGIONAL TRANSPORTATION PLAN ADOPTED  
25 PURSUANT TO SECTION 28-6308.

26 B. Among other things, the regional public transportation system plan  
27 shall:

- 28 1. Define and identify regional public transportation corridors.
- 29 2. Define the public transportation problems, goals and needs for each  
30 corridor.
- 31 3. Define land use goals.
- 32 4. Determine environmental, economic, energy and social policies to  
33 guide public transportation investment decisions.
- 34 5. Order the priority of regional public transportation corridors for  
35 development.
- 36 6. Determine the mix of alternative public transportation modes  
37 appropriate for development in light of the public transportation goals and  
38 needs for each corridor.
- 39 7. Select appropriate public transportation technology including high  
40 occupancy vehicle lanes and related facilities.
- 41 8. Determine the capacity for exclusive public transportation  
42 technology.
- 43 9. Determine operating performance criteria and costs for public  
44 transportation systems.



10. Locate routes and access points to the public transportation systems.

11. Determine the ridership of public transportation systems.

C. The regional public transportation system plan shall include, in addition to the appropriate items prescribed in subsection B of this section, the following items presented on an individual fiscal year basis:

1. The capital and operating costs of the planned regional public transportation system.

2. The revenue needed by source, according to section 48-5103, to fund the regional public transportation system plan.

D. If the plan includes a rail component and if the board adopts estimates of capital and maintenance and operation costs of the rail system, each member municipality in which the rail system is constructed shall pay to the public transportation fund amounts by which the actual capital, maintenance and operation costs exceed the estimated costs by more than fifteen per cent, computed in constant dollars. The excess costs shall be allocated among the affected member municipalities according to the proportion of the rail system facilities that are located in each municipality. The affected member municipalities shall:

1. Pay the monies from their respective general funds to the public transportation fund in the fiscal year following the fiscal year in which the excess costs were incurred.

2. Not pay to the public transportation fund under this subsection monies that it received from any source pursuant to title 28.

3. Not reduce its support of transportation projects funded by any source pursuant to title 28 in order to make payments under this subsection.

E. The board may modify the regional public transportation system plan to reflect changes in population density or technological advances in the approved public transportation modes. A majority of the members of the board voting at a public hearing called for that purpose must approve a modification to the plan.

Sec. 24. Section 48-5162, Arizona Revised Statutes, is amended to read:

48-5162. Bond authority

Subject to this article the board may:

1. Issue negotiable bonds in a principal amount that, in the opinion of the board, is necessary to provide sufficient monies for any public transportation purpose THAT IS INCLUDED IN THE REGIONAL PUBLIC TRANSPORTATION SYSTEM PLAN, to establish reserves to secure the bonds and to provide for the payment of all other expenditures of the board incidental, necessary and convenient to carry out these purposes.

2. Issue refunding bonds if the board deems refunding expedient.

3. Refund any bonds issued by the board if the bonds are secured from the same source of revenues as the bonds authorized in this article by the issuance of new bonds, whether or not the bonds to be refunded have matured.

1           4. Issue bonds partly to refund bonds then outstanding and partly for  
2 any public transportation purpose consistent with this article. Regardless  
3 of whether or not the bonds are of such form or character as to be negotiable  
4 instruments under the terms of the uniform commercial code, the bonds are  
5 fully negotiable within the meaning and for all purposes of the uniform  
6 commercial code.

7           Sec. 25. Repeal

8           Laws 1997, chapter 1, section 346 is repealed.

9           Sec. 26. Regional transportation; Pinal county planning

10          A. Pursuant to Laws 2003, chapter 217, to appropriately plan for the  
11 transportation needs in northern Pinal county and to mitigate the impact on  
12 the Maricopa county regional transportation system, the Arizona department  
13 of transportation, the Maricopa association of governments and the Central  
14 Arizona association of governments shall jointly further define corridors  
15 identified in the southeast Maricopa/northern Pinal county area  
16 transportation study for right-of-way preservation.

17          B. The department shall begin the joint study process no later than  
18 December 31, 2004 including any necessary reviews and other procedures that  
19 will provide the state board of transportation the information necessary for  
20 the board to consider the identified corridors as state highways in the state  
21 highway system by December 31, 2008.

22          Sec. 27. Election on transportation excise tax

23          A. On November 2, 2004, the board of supervisors of any county with  
24 a population of one million two hundred thousand or more persons shall call  
25 and conduct a countywide election for the extension and levy of a county  
26 transportation excise tax as provided by section 42-6105, Arizona Revised  
27 Statutes, as added by this act.

28          B. In addition to any other requirements prescribed by law, the board  
29 of supervisors shall prepare and print an 8½" x 11" publicity pamphlet  
30 concerning the ballot question and mail one copy of the pamphlet to each  
31 household containing a registered voter in the county. The mailings may be  
32 made over a period of days but shall be mailed for delivery before the  
33 earliest date registered voters may receive early ballots for the election.  
34 The publicity pamphlet shall contain:

35           1. A summary of the principal provisions of the issue presented to the  
36 voters, including the rate of the transportation excise tax, the number of  
37 years the tax will be in effect and the projected annual and cumulative  
38 amount of revenues to be raised.

39           2. A statement describing the purposes for which the transportation  
40 excise tax monies may be spent as provided by law, including:

41           (a) A summary of the regional transportation plan adopted pursuant to  
42 section 28-6308, Arizona Revised Statutes, as amended by this act.

43           (b) A map of proposed routes and transportation corridors of all major  
44 transportation projects and public transportation systems.

1 (c) The estimated amount of transportation excise tax revenues,  
2 together with other identified revenues, dedicated for each transportation  
3 mode listed in section 42-6105, subsection E, Arizona Revised Statutes, as  
4 added by this act, and each public transportation system, and conditions and  
5 limitations on the use of the money within each transportation mode  
6 classification.

7 (d) A summary of the conditions and prohibitions on redistributing  
8 transportation excise tax revenues under section 28-6308, subsection D,  
9 Arizona Revised Statutes, as amended by this act.

10 (e) The Maricopa county elections department website address for  
11 additional information on the regional transportation plan.

12 3. The form of the ballot.

13 4. Any arguments for or against the ballot measure. Affirmative  
14 arguments, arranged in the order in which the elections director received  
15 them, shall be placed before the negative arguments, also arranged in the  
16 order in which they were received.

17 C. On or before July 9, 2004, a person may file with the county  
18 elections director an argument, not more than three hundred words in length,  
19 advocating or opposing the ballot measure. The person who files the argument  
20 shall also pay to the elections director a publication fee prescribed by the  
21 board of supervisors. If the argument is sponsored by one or more  
22 individuals, the argument shall be signed by each sponsoring individual. If  
23 the argument is sponsored by one or more organizations, the argument shall  
24 be signed by two executive officers of each organization. If the argument  
25 is sponsored by one or more political committees, the argument shall be  
26 signed by each committee's chairperson or treasurer. Payment of the fee  
27 required by this subsection, or reimbursement of the payor, constitutes  
28 sponsorship of the argument. The names of persons who have signed arguments  
29 and the names of sponsoring organizations shall appear with the argument in  
30 the pamphlet. The person or persons signing the argument shall also give  
31 their residence or post office address and a telephone number, which shall  
32 not appear in the pamphlet.

33 D. In addition to any other ballot requirements prescribed by law, the  
34 elections director shall cause the following to be printed on the official  
35 ballot:

36 1. The designation of the measure as follows: "Relating to county  
37 transportation excise (sales) taxes".

38 2. The title: Regional Transportation Plan.

39 3. A description of the ballot measure, which shall read as follows:

40 A measure continuing the current transportation excise  
41 (sales) tax to address the regional transportation system by  
42 building new freeways, expanding existing freeways with  
43 additional access and capacity, constructing streets and  
44 intersections, expanding transit by extending the planned light

1 rail system, increasing the frequency of bus service and  
2 providing additional bus, dial-a-ride and vanpool services.

3 4. Instructions directing the voter to the full text of the official  
4 and descriptive titles containing the summary as printed in the sample ballot  
5 and posted in the polling place. The ballot may include the summary of the  
6 regional transportation plan.

7 5. The question submitted to the voters as follows:

8 Do you favor the continuation of a county transaction privilege  
9 (sales) tax for regional transportation purposes in \_\_\_\_\_  
10 county? YES \_\_\_\_\_ NO \_\_\_\_\_

11 (A "YES" vote has the effect of continuing the transaction  
12 privilege (sales) tax in \_\_\_\_\_ county for twenty years to  
13 provide funding for transportation projects as contained in the  
14 regional transportation plan.)

15 (A "NO" vote has the effect of rejecting the transaction  
16 privilege (sales) tax for transportation purposes in \_\_\_\_\_  
17 county.)

18 E. Except as otherwise provided by this section, the election under  
19 this section shall be conducted as nearly as practicable in the manner  
20 prescribed for general elections in title 16, Arizona Revised Statutes. The  
21 county election officer shall account for costs specifically incurred with  
22 respect to the ballot issue under this section. Regardless of the outcome  
23 of the election, and notwithstanding any other law, the state treasurer shall  
24 pay the costs listed in this subsection specifically incurred with respect  
25 to the ballot issue under this section from monies paid into the county's  
26 regional area road fund on submission of the bill by the county election  
27 officer. Costs specifically incurred with respect to the ballot issue under  
28 this section include the following:

29 1. Costs of mailing, publishing, posting and printing ballots,  
30 publicity pamphlets, notices, election materials and other matters concerning  
31 the election.

32 2. Legal and other consulting fees and costs relating to the election.

33 3. Telecommunications costs.

34 4. Compensation of the election board, county election officers and  
35 employees and other labor costs incurred to administer, hold, canvass and  
36 announce the results of the election.

37 5. Any other costs attributable to the election.

38 F. This section does not constitute a submission of any provision of  
39 law to the people for approval under the power of the referendum.

40 Sec. 28. Intent regarding expenditure limitations

41 Monies collected pursuant to a county transportation excise tax  
42 pursuant to section 42-6105, Arizona Revised Statutes, as added by this act,  
43 that are spent according to the purposes described in article IX, section 20,  
44 subsection (3), paragraph (d), subdivisions (i) and (viii), Constitution of  
45 Arizona, are exempt from the county's expenditure limitation.

1       Sec. 29. Appointment of members of transportation policy  
2                   committee

3       A. An incumbent representative of the private sector who was serving  
4 on the transportation policy committee on the effective date of this section  
5 under prior law shall serve until December 31, 2004 and may be reappointed  
6 as a private sector representative by the president of the senate or the  
7 speaker of the house of representatives as provided by section 28-6308,  
8 subsection A, paragraph 2, Arizona Revised Statutes, as amended by this act.

9       B. The initial members appointed by the president of the senate and  
10 the speaker of the house of representatives to represent regionwide business  
11 interests shall assign themselves by lot to terms of two, four and six years  
12 in office. The chairperson of the regional planning agency shall notify the  
13 president of the senate and speaker of the house of representatives of these  
14 terms. All subsequent members serve six-year terms of office as provided by  
15 section 28-6308, Arizona Revised Statutes, as amended by this act.

16       Sec. 30. Conditional enactment

17       A. Sections 1 through 26, 28 and 29 of this act are not effective  
18 unless at an election held November 2, 2004 the county excise tax is approved  
19 by the qualified electors as provided by section 27 of this act.

20       B. The enactment of any provision of this act conditioned on the  
21 results of the election does not constitute a submission of those provisions  
22 to the voters under the power of the referendum.

23       Sec. 31. Emergency

24       This act is an emergency measure that is necessary to preserve the  
25 public peace, health or safety and is operative immediately as provided by  
26 law.

APPROVED BY THE GOVERNOR FEBRUARY 5, 2004.

FILED IN THE OFFICE OF THE SECRETARY OF STATE FEBRUARY 5, 2004.